

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

ORACLE AMERICA, INC.,

No. C 10-03561 WHA

Plaintiff,

v.

GOOGLE INC.,

**REQUEST FOR CRITIQUE RE
INSTRUCTIONS ON FAIR USE**

Defendant.

Below is an instruction on fair use that the Court expects to provide to the jury. Each side is invited to submit a five-page double-spaced critique (no footnotes, no attachments, block quotes may be single-spaced) by **NOON ON APRIL 14**. The purpose of the five-page limit is to require counsel to focus on their best points. Each point in your critique should be clear as to whether or not the passage critiqued accurately states the law. The critique must cite to legislative history or case law by the Supreme Court, our court of appeals, or the Federal Circuit. The Court will likely make revisions in light of your comments. Counsel will have subsequent opportunities to make lesser objections.

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INSTRUCTION ON FAIR USE

In this trial, all parties agree that the Android versions in question used aspects of Java 2 Standard Edition Version 1.4 and Java 2 Standard Edition Version 5.0, specifically using the declaring code and the structure, sequence, and organization of 37 Java API packages.

1 The pertinent Android versions were: 1.0, 1.1, Cupcake, Donut, Eclair, Froyo, Gingerbread,
2 Honeycomb, Ice Cream Sandwich, Jelly Bean, Kit-Kat, Lollipop, and Marshmallow. In this
3 trial, all agree that this use constituted copyright infringement under the federal Copyright Act
4 of 1976 unless you find that Google has carried its burden as to the right of fair use. In other
5 words, for purposes of this trial, all agree that Google copied certain aspects of copyrighted
6 works and the question remaining for you to decide is whether or not Google's use was a fair
7 use.

8 Now, I will explain what fair use means under the law.

9 One policy behind our copyright laws, of course, is to protect the work of authors from
10 exploitation by plagiarists and others. When it applies, however, the right of fair use permits
11 the use of copyrighted works without the copyright owner's consent. The policy behind the
12 right of fair use is to encourage and allow the development of new ideas that build on earlier
13 ones, thus providing a counterbalance to the copyright policy to protect creative works. In
14 short, our copyright laws seek, on the one hand, to promote the progress of science and art by
15 protecting artistic and scientific works while, on the other hand, encouraging the development
16 and evolution of new works building on earlier ones.

17 Fair use is explained in the federal Copyright Act of 1976. Under the Act, anyone may
18 make fair use of a copyrighted work and may do so without anyone's permission and without
19 notice to anyone. Specifically, the Act states (and I will quote it exactly):

20 The fair use of a copyrighted work for purposes such as criticism,
21 comment, news reporting, teaching (including multiple copies for
22 classroom use), scholarship or research, is not an infringement of
copyright. In determining whether the use made of a work in any
particular case is a fair use the factors to be considered shall
include —

- 23 1. The purpose and character of the use,
24 including whether such use is of a
25 commercial nature or is for nonprofit
educational purposes;
 - 26 2. The nature of the copyrighted work;
- 27
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1 3. The amount and substantiality of the portion
2 used in relation to the copyrighted work as a
3 whole; and

4 4. The effect of the use upon the potential
5 market for or value of the copyrighted work.

6 The fact that a work is unpublished shall not itself bar a finding of
7 fair use if such finding is made upon consideration of all of the
8 above factors.

9 I have just quoted for you the right of fair use exactly as enacted by Congress. In your
10 deliberations, you must decide whether or not Google has met its burden in this trial to prove up
11 that its copying was a fair use. Now I will further explain each of the four factors.

12 The first factor concerns the purpose and character of the use. This factor includes two
13 issues: (1) whether and to what extent the use serves a commercial purpose, which weighs
14 against fair use, versus a nonprofit educational purpose, which weighs in favor of fair use, and
15 (2) whether and to what extent the new work is “transformative,” which supports fair use.
16 Although the Act does not explicitly use the word “transformative,” our Supreme Court has
17 decided that the central purpose of the first statutory factor is to evaluate whether and to what
18 extent the purpose and character of the accused work is transformative.

19 What does transformative mean? A new use is transformative if it is productive and
20 employs the quoted matter in a different manner or for a different purpose from the original,
21 adding value over and above the original. By contrast, copying of copyrighted material that
22 does little more than plagiarize the original in a manner that supersedes the objects of the
23 original is not transformative. The extent of transformation will vary from case to case. The
24 greater the transformation the more likely an accused use will be a fair use and the less the
25 transformation, the less likely an accused use will qualify as a fair use.

26 In evaluating the first factor, the extent of the commercial nature of the accused use
27 must be considered. Commercial use, as stated, weighs against a finding of fair use, but even a
28 commercial use may be found (or not found, as the case may be) to be sufficiently
 transformative that the first factor, on balance, still cuts in favor of fair use. To put it

1 differently, the more transformative an accused work, the more other factors, such as
2 commercialism, will recede in importance. By contrast, the less transformative the accused
3 work, the more other factors like commercialism will dominate.

4 The second factor is the nature of the copyrighted work. This factor recognizes that
5 traditional literary works, such as fictional novels, are closer to the core of intended copyright
6 protection than informational works, such as instruction manuals. Creative expression is at the
7 very heart of copyright protection. Fair use is generally more difficult to establish for copying
8 of traditional literary works than for copying of informational works or using functional
9 elements of a work such as computer software.

10 Computer programs and computer languages are not literary works; nevertheless they
11 may be protected by copyright. This is true not only for the line-by-line code but also for the
12 structure, sequence, and organization of a program. Even though a computer program performs
13 functions and has functional elements, the structure, sequence, and organization of a computer
14 program may be (or may not be) creative. When there are many possible ways to structure,
15 sequence, and organize a program, the way created by a copyrighted program may be (or may
16 not be) innovative. On the other hand, when the structure, sequence, and organization are
17 dictated by functional considerations such as efficiency, compatibility, or industry standards,
18 then less creativity is indicated and the core values of copyright protection are less implicated.
19 When purely functional elements are embedded in a copyrighted work and it is necessary to
20 copy associated creative elements in order to utilize those functional elements, then this
21 circumstance favors fair use. In sum, this factor focuses on how close the copied material is to
22 the core values of copyright protection. The less the copied material implicates the core values
23 of copyright protection, the more viable will be fair use and vice versa.

24 The third factor is the amount and substantiality of the portion used in relationship to the
25 copyrighted work as a whole, which concerns how much of the overall copyrighted work was
26 used by the accused infringer. In addition, if the accused infringer used more than was
27 reasonably necessary for the new work, then the excess use weighs against fair use. If,
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1 however, the accused infringer used only what was reasonably needed for a transformative use,
2 then this circumstance weighs in favor of fair use. The extent of permissible copying varies
3 with the purpose and character of the use, which relates back to the first factor.

4 In assessing this third factor, both the quantity of the material used and the quality or
5 importance of the material used should be considered. For purposes of this factor in our case,
6 the “work as a whole” constitutes all of the compilable code associated with all of the 166 API
7 packages (not just the 37) in the registered work, excluding the virtual machine.

8 The fourth and final factor is the effect of the accused infringer’s use on the potential
9 market for or value of the copyrighted work. This factor militates against fair use if the accused
10 use materially impairs the marketability or value of the copyrighted work. This factor considers
11 not only the extent of any market harm caused by the accused infringer’s actions but also
12 whether unrestricted and widespread use of the copyrighted materials of the sort engaged in by
13 the accused infringer would result in a substantially adverse impact on the potential market for
14 the copyrighted work. This factor also takes into account whether the accused work is offered
15 or used as a substitute for the original copyrighted work. Market harm to the value of the
16 copyrighted work may be a matter of degree, and the importance of this factor will vary not
17 only with the amount of harm shown, but also with the relative strength of the showing on the
18 other factors.

19 It is up to you to decide how much weight to give each of the statutory factors, but you
20 must consider all of them. All of these factors must be explored, discussed, and evaluated by
21 you. No single factor is dispositive. Your evaluation of all factors must be weighed together in
22 light of the purpose of copyright, which as our Constitution states, is to promote the progress of
23 science and the useful arts. Some factors may weigh in favor of fair use and some against fair
24 use, and you must decide, after giving the factors such weight as you find appropriate based on
25 the evidence, whether or not, on balance, they predominate in favor of fair use.

26 To illustrate the general way in which these factors have been applied, I will now give
27 you some examples from the United States Supreme Court. None of these examples is directly
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1 on point for our trial, but they illuminate the general approach taken by the Supreme Court in
2 applying the fair use statute. Two of them favored fair use and two of them rejected fair use.

3 In a decision involving Betamax recorders, early devices used to record television
4 programs at home, the tape recordings themselves produced full and exact copies of
5 copyrighted broadcast programs. The copies at issue were made for home use, rather than for
6 commercial resale, and the copyright owners had already made the broadcast programs
7 available for free, so the home copying had no effect on the market for the television programs.
8 So, those findings both favored fair use. The users recorded entire television programs and
9 those programs were largely of an entertaining, rather than informational, nature (so they fell
10 closer to the core of copyright protection), which would weigh against fair use. Nevertheless,
11 the noncommercial purpose and the minimal effect of the copying on the market for the
12 television broadcasts predominated in the Supreme Court's analysis. Accordingly, the Supreme
13 Court held that Betamax copying at home was fair use.

14 Another Supreme Court case concerned a magazine scoop. Specifically, it concerned
15 publication of a magazine article that quoted President Gerald Ford's then-forthcoming
16 memoirs, which quotes the magazine took from an unauthorized copy of the manuscript. The
17 book publisher of the memoirs sued the magazine for copyright infringement. The Supreme
18 Court recognized that news reporting normally weighs in favor of fair use but decided that the
19 magazine had gone beyond the purpose of news reporting and had actively usurped the
20 copyright holder's right of first publication and had done so for commercial gain, which
21 weighed against fair use. Although President Ford's memoirs were newsworthy and were not
22 literary, the fact that they had not yet been published at the time of the article weighed against
23 fair use. The article had quoted only three hundred words of copyrighted material, but that
24 material constituted the "heart" of the book, so the substantiality of the passage copied weighed
25 against fair use. Finally, as a result of the article, the book publisher lost a contract with another
26 magazine for the exclusive right to publish previews of the memoirs, so this adverse effect on
27 the market for the copyrighted work weighed against fair use. In light of these facts, the
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1 Supreme Court concluded that the public benefit of news reporting was insufficient to overcome
2 the combined weight of the other factors, so the magazine's scoop did not constitute a fair use.


3 In a third case involving Roy Orbison's song, "Oh, Pretty Woman," a rap music group
4 copied the lyrics and bass riff from that song to release a parody called "Pretty Woman." The
5 Supreme Court found that parody was transformative because it used elements from the first to
6 create expression with a different meaning and purpose, namely to critique the themes of the
7 original. The Supreme Court recognized that the rap group created the parody for commercial
8 gain but determined that the commercial nature of the parody was outweighed by the
9 transformative nature of the parody. To be sure, the creative expression of the original song
10 was close to the core of copyright's protective purposes, but the Supreme Court discounted that
11 factor because parodies, by long tradition, are usually aimed at expressive works, and the
12 transformation of one work into another, while shedding new light on the former, also furthered
13 copyright's goals of advancing science and the arts. The Supreme Court determined that the rap
14 group used only as much of the lyrics from the original as reasonably necessary for the parody
15 even though the lyrics quoted the "heart" of the original. This was because, the Supreme Court
16 said, significant copying may be necessary for parodies to "conjure up" the original. As to the
17 other fair use factors, the Supreme Court sent the case back to the district court for further
18 evaluation with instructions to take into account the Supreme Court's holding on the
19 transformative value of parodies on the fair use question.

20 As a final example, a film studio produced a movie based in part on a fictional short
21 story. The studio had permission from the owner of the copyright in the short story to make and
22 distribute the movie in the first place, but it later re-released the movie without permission
23 while the copyright owner was then trying to produce a play or a television version of the story.
24 The Supreme Court determined that the re-release was purely for commercial purposes, which
25 weighed against fair use. The copyrighted work was creative expression, namely a fictional
26 literary work at the core of the purpose of copyright protection. The movie used a substantial
27 portion of it by copying the setting, characters, and plot of the short story, all of which weighed
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1 against fair use. Finally, the re-release had prejudiced the copyright owner's ability to market
2 the theatrical and television adaptations of the short story, also weighing against fair use. The
3 Supreme Court determined the re-release did not constitute a fair use.

4 I have given you these four examples to illustrate the balancing-of-factors approach
5 under the fair use provision. None of these four examples controls our case, but they may help
6 you in understanding the way in which the Supreme Court has approached the balancing of
7 these four factors and therefore the way in which you should approach your decision. It is up to
8 you to weigh the four factors together to decide whether or not Google has carried its burden to
9 establish fair use.

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11 Dated: April 7, 2016.



WILLIAM ALSUP
UNITED STATES DISTRICT JUDGE